

# Letter of Engagement

**Ref.No.: CUST0003/LOE/2024-2025/00002**

Date: 21 Jul 2025

Akash & co

Dear: Akash & co

Sub: Engagement letter – Letter of Engagement in ICAI Format for the year ended 2024-2025

## 1. [Reporting]

[Insert appropriate reference to the expected form and content of the auditor's report including, if applicable, the reporting on other information in accordance with SA 720 (Revised).]

The form and content of our report may need to be amended in the light of our audit findings.

Please sign and return the attached copy of this letter to indicate your acknowledgement of, and agreement with, the arrangements for our audit of the financial statements including our respective responsibilities.

## 2. The objective and scope of the audit

You have requested that we audit the financial statements of Akash and Co., which comprise the Balance Sheet as at 31st March, 2025, the Statement of Profit and Loss and the (Cash Flow Statement<sup>1</sup>) for the year then ended and notes to the financial statements including a summary of significant accounting policies and other explanatory information. We are pleased to confirm our acceptance and our understanding of this engagement by means of this letter.

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing (SAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## 3. The responsibilities of management and identification of the applicable financial reporting framework

Our audit will be conducted on the basis that [management and, where appropriate, those charged with governance] acknowledge and understand that they have responsibility:

(a) For the preparation of financial statements that give a true and fair view in accordance with the Financial Reporting Standards. This includes:

(i) The responsibility for the preparation of financial statements on a going concern basis.

(ii) The responsibility for selection and consistent application of appropriate accounting policies, including implementation of applicable accounting standards along with proper explanation relating to any material departures from those accounting standards.

(iii) The responsibility for making judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period.

(b) For such internal control as [management] determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error: and

(c) To provide us with:

(i) Access, at all times, to all information, including the books, account, vouchers and other records and documentation, of the company, whether kept at the head office of the company or elsewhere, of which [management] is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters:

(ii) Additional information that we may request from [management] for the purpose of the audit: and

(iii) Unrestricted access to persons within the company from whom we determine it necessary to obtain audit evidence. This includes our entitlement to require from the officers of the company such information and explanations as we may think necessary for the performance of our duties as auditor.

As part of our audit process, we will request from [management and, where appropriate, those charged with governance], written confirmation concerning representations made to us in connection with the audit.

We also wish to invite your attention to the fact that our audit process is subject to `peer review` under the Chartered Accountants Act, 1949 to be conducted by an Independent reviewer. The reviewer may inspect, examine or take abstract of our working papers during the course of the peer review.

We look forward to full cooperation from your staff during our audit.

[Other relevant information]

[Insert other information, such as fee arrangements, billings<sup>2</sup> and other specific terms, as appropriate.]

#### **4. The responsibilities of the auditor**

We will conduct our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act 2013. Those Standards require that we comply with ethical requirements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. However, we will communicate to you in writing concerning any significant deficiencies in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, there is an unavoidable risk that some material misstatements may not be detected, even though the audit is properly planned and performed in accordance with SAs.

#### **Additional Fees**

Details of Engagement Estimate for the Letter of Engagement in Statutory Audit to Akash & co

SI No	Expense Name	Charges In INR
1	Filing Charges	10100.00
2	Professional Fee	200.00
	<b>Total</b>	<b>10300.00</b>

Very truly yours,

**A1; ABCD; ASB; HP; infinity; Mindtree; Nayana & Co; Raju & Co; Rakesh & Co; S&S; Start; T1; TRACe Test Demo and Co.; UBC; Varun & co; Venu**

[Firm Name]

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We agree to the terms of the engagement described in this letter.

**Akash & co**  
[Client Name]

[Signature]

[Date]